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Annual Report

Small Business Participation

Activity Highlights Fiscal Year 1997 - 1998

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Prepared by Office of Small Business Certification and Resources

Annual Report 1997-1998 Small Business Participation

Office of Small Business Certification and Resources

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Chapter I

OVERVIEW

Chapter I

OVERVIEW

Introduction

The Office of Small Business Certification and Resources (OSBCR) provides stimulus and business information services to further state contracting participation. The OSBCR's primary responsibility is communication and access to state contracting information.

History

In 1973, by Legislative act, the Office of Small Business Procurements and Contracts was created and placed in the Department of General Services (DGS). The primary responsibility of the Office was the implementation of the Five Percent Small Business Preference Program. In 1975, the California Office of Minority Business Enterprise, the first state office founded by agrant from the U.S. Department of Commerce, became part of the DGS. The two offices were consolidated in 1981 to improve the effectiveness of their closely-related procurement activities and renamed the Small and Minority Business Procurement Assistance Division. In 1983, the Office was renamed the Office of Small and Minority Business (OSMB). Through legislation the OSMB received additional responsibilities pertaining to minority, women, and disabled veteran business enterprises.

On March 10, 1998, the Federal Ninth Circuit court of Appeals determined that the California Minority and Women Business Enterprise Participation Program requirements violated the U.S. Constitutional 14th Amendment (equal protection) and therefore was unconstitutional. On September 1, 1998, the Office of Small and Minority Business was renamed to the Office of Small Business Certification and Resources.

Current Programs

There are nine programs within the OSBCR:

	Program	Purpose	Authority
1	Small Business Certification	Certifies firms for the 5 percent bidding preference	California Government Code
2	Prompt Payment Act	Encourages expeditious invoice payment to certified small businesses and recognized nonprofit organizations	California Government Code
3	Disabled Veteran Business Enterprise (DVBE) Certification	Certifies firms for the 3 percent contracting participation goal	California Public Contract Code and California Military and Veterans Code
4	Disabled Veteran Business Enterprise (DVBE) Participation Program	Encourages participation of disabled veteran business enterprise in the state contracting process	California Public Contract Code and California Military and Veterans Code
5	Target Area Contract Preference Act (TACPA)	Stimulates state contracting opportunities in designated distressed areas	California Government Code
6	Enterprise Zone Act (EZA)	Stimulates state contracting opportunities in designated enterprise zones	California Government Code
7	California State Contracts Register (CSCR)	Daily electronic publication advertising state contracting opportunities	California Government Code
8	Other Publications	Assists state agency and business community access to state contracting information	California Government Code
9	OSBCR Telephone Information System (OTIS)	Provides interactive information about our most popular services	Administra- tively implemented by OSBCR

Chapter II

PROGRAMS

Chapter II

PROGRAMS

Introduction

The Office of Small Business Certification and Resources (OSBCR) provides stimulus and business information services to further state contracting participation. The OSBCR's primary responsibility is communication and access to state contracting information. The OSBCR certifies eligible small business for the state's five percent bid preference and eligible disabled veteran business enterprises for the state's three percent participation goal program. The office publishes the daily Internet California State Contracts Register (CSCR), which announces bid information on state contracts and participating local government and special district contracts. The office provides assistance in implementation provisions of the Small Business Procurement and Contract Act, Prompt Payment Act, the Target Area Contract Preference Act (TACPA), and the Enterprise Zone Act (EZA). The OSBCR is a resource to state agencies and business firms in the implementation of the State's Disabled Veteran Business Enterprise Participation Program.

Internet Access

http://www.dgs.ca.gov/osbcr

Small Business Certification

Purpose

The State of California established a five percent small business preference program to further their participation in state contracting. Businesses must be Office of Small Business Certification and Resources (OSBCR) certified to establish program eligibility.

Description

The OSBCR certifies eligible small business for the state's five percent bid preference. The preference is applied when certified small businesses bid on state contracts. The State of California's five percent small business preference program applies only to state contracts.

"Small business" means a business in which the principal office is located in California and the business' officers are domiciled in California. Further, the business must be independently owned, operated, and not dominant in its field of operation. The certification process reviews gross annual receipts. Businesses must submit a completed Small Business and/or Disabled Veteran Business Enterprise Certification Application (STD. 812) including relevant signed federal tax returns for small business certification. Small business certification is based upon established industry group maximum dollar thresholds.

The OSBCR received/reviewed approximately 6,008 small business applications for fiscal year 1997/98. The number of business firms that apply exceed those who are granted "small business" certification. In general, some firms are not certified due to their program ineligibility and/or a firm is unresponsive to an additional information request to establish "small business" eligibility.

During FY 1996/97, the OSBCR enhanced the new certification database, Business Information System (BIS). The implementation of management reports as well as Internet certification queries were accomplished. One of OSBCR's performance measures evaluates the average number of working days, i.e. turnaround time for responding to certification applications. During 1997/98, the OSBCR reduced the average number of working days by 13.5 percent - from 35 to 17.3 working days. We achieved and maintained our ultimate goal of a range under 30 working days and an average under 20 working days.

To improve small business participation and address participation barriers during FY 1997/98, the following educational programs were offered:

1. To inform, train and educate the business community, OSBCR continued to offer free "Business Community Workshops." This three part informative program shares with business representatives the small business certification process and benefits of participation. Second, we present the Disabled Veteran Business Enterprise certification process and participation benefits. Finally, an Internet presentation informs the business members of the benefits of the California State Contracts Register, business networking opportunities, and how to locate and be informed of ongoing contracting opportunities.

Small Business Certification, continued

Description, continued

- 2. The OSBCR assists business community and state agency customers with publication regarding the state contracting processes and programs. Information is accessible 24 hours, seven days a week on the Internet. Direct consultation is available in person, by phone and by E-mail. Workshops offered by the OSBCR, other state agencies, local government and non-profit organizations are advertised on the office's Internet Event Calendar.
- 3. To educate and train contracting and purchasing officials aboutstate contract participation programs, resources, and small business contracting concerns, the OSBCR has continued to offer state agency training titled "Implementing State Contracting Participation Programs." This training offers knowledge of applicable laws, regulations, policies, and resources. More importantly, the training addresses:
 - Daily implementation realities
 - Perspectives from the various contracting partners, state agencies, businesses and the ultimate customer, the taxpayer
 - Attitudes, communication needs and styles
 - Peer information sharing to maximize success for all partners
- 4. The OSBCR offers Internet training regarding the California State Contracts Register (CSCR) advertisement and bid package processes.
- 5. The Department of General Services (DGS), Office of Legal Services offers a complimentary training course titled, "Managing Service Contracts."
- 6. The DGS, Procurement Division provides various contracting training opportunities for state purchasing officials.

To ensure all existing participation is reported, small business participation reporting procedures were changed. Historically, the primary date source for small business participation has focused on the five percent small business bid preference. This tends to limit data gathering to prime contractor participation and lowest responsible bidder contract methods. Subcontractor/supplier participation has not been consistently reported nor prime participation on contracts where the five percent preference is not applicable. The OSBCR encourages the capturing of this participation data. The Small Business Participation Report (STD 810) was revised to include subcontractor participation. Recommended bid package language and report forms were implemented for the voluntary collection of small business participation data for FY 1997/98.

Authority

California Government Code, Title II, Division 3, Part 5.5, Chapter 6.5, Section 14835 et seq. and California Code of Regulations, Title 2, Division 2, Chapter 3, Subchapter 8, Article 1, Section 1896, Article 2, Section 1896.2 et seq.

Internet Access

http://www.osmb.dgs.ca.gov/sbcert Certified Firms Listing-http://reddb.dgs.ca.gov/osmbusiness/Search.asp?type=SB

Prompt Payment Act

Purpose

The Prompt Payment Act encourages expeditious invoice payment to certified small business and recognized nonprofit organizations. Typically, small businesses and nonprofit organizations do not have the resources to operate without adequate cash flow. The Act encourages state agencies to pay invoices promptly.

Description

The Prompt Payment Act enables certified small businesses and recognized nonprofit organizations to collect penalties from state agencies if an undisputed claim was not paid within 30 days of the required payment date.

The Act requires small businesses be paid a penalty of 0.25 percent of the amount outstanding per day, from the 31st day after the required payment date. The penalty applies whenever an agency fails to make timely payment on a properly executed invoice without reasonable cause. The claim must be undisputed and properly executed by the claimant.

A similar interest penalty applies to the State Controller's Office processing of invoice payments once payment is approved by the state agency.

A firm must be small business certified or recognized as a nonprofit organization to be eligible to participate in the Prompt Payment Program. The program includes the use of a rubber stamp to alert state departments a firm is a certified small business or recognized nonprofit organization. Rubber stamps are available for a fee. A written request for a rubber stamp must be submitted upon small business certification or recognition as a nonprofit organization. Upon receipt, a rubber stamp and instructions are sent. Each agency recognizes the need to pay vendors in a timely manner and is responsible to take steps to ensure this happens.

Authority

California Government Code, Title I, Division 3.6, Part 3, Chapter 4, Section 926.15 et seq.

Internet Access

http://www.osmb.dgs.ca.gov/ppact

Disabled Veteran Business Enterprise Certification

Purpose

The State of California established a three percent Disabled Veteran Business Enterprise (DVBE) participation goal to further their participation in state contracting. DVBEs must be Office of Small Business Certification and Resources (OSBCR) certified to establish program eligibility.

Description

California established a DVBE contracting participation goal of at least three percent.

The Law defines a disabled veteran as a United States military, naval or air service veteran with at least a ten percent service-connected disability who is a resident of the State of California.

A DVBE is a business concern certified by the administering agency, the OSBCR. Additionally, a DVBE must meet the following legal requirements:

- It is a sole proprietorship at least 51 percent owned by one or more disabled veterans or, in the case of a publicly owned business, at least 51 percent of its stock is owned by one or more disabled veterans; a subsidiary which is wholly owned by a parent corporation, but only if at least 51 percent of the voting stock of the parent corporation is owned by one or more disabled veterans; or a joint venture in which at least 51 percent of the joint venture's management and control and earnings are held by one or more disabled veterans.
- The management and control of the daily business operations are by one or more disabled veterans. The disabled veterans who exercise management and control are not required to be the same disabled veterans as the owners of the business concern.
- It is a sole proprietorship, corporation, or partnership with its home office located in the United States, which is not a branch or subsidiary of a foreign corporation, foreign firm, or other foreign-based business.

During FY 1996-97, the OSBCR enhanced the new certification database, the Business Information System (BIS). The implementation of management reports as well as Internet certification queries were accomplished. One of OSBCR's performance measures evaluates the average number of working days, i.e. turnaround time for responding to certification applications. During FY 1997/98, the OSBCR continued to achieve an average DVBE certification turnaround time of under ten working days.

During the FY 1996/97, the number of certified DVBEs was 675.

Disabled Veteran Business Enterprise Certification, continued

Authority

Public Contract Code, Part 2, Division 2, Chapter 1, Article 1.5, Section 10115 et seq., California Military and Veterans Code, Article 6, Section 999 and California Code of Regulations, Title 2, Division 2, Chapter 3, Subchapter 10.5, Sections 1896.70, - 1896.85.

Internet Access

http://www.osmb.dgs.ca.gov/dvbepp/ Certified firm listing-http://reddb.dgs.ca.gov/osmbusiness/Search.asp?type=DVBE

Minority, Women, and Disabled Veteran Business Enterprise Participation Program

Purpose

Encourage participation of Disabled Veteran Business Enterprise (DVBE) in the state contracting process.

Description

California established statewide contracting participation goals of at least fifteen percent for minority business enterprises, five percent for women business enterprise and three percent for DVBE.

Effective March 1998, the federal Ninth Circuit Court of Appeals determined the California Minority and Women Business Enterprise Participation Program requirements contained in California Public Contract Code Section 10115, et seq., violated the U.S. Constitutional 14th Amendment (equal protection) and therefore was unconstitutional.

The state continues to recognize the need to acknowledge disabled veterans for their service by providing an avenue for their business establishment and participation in the state's contracting program. Awarding departments have the discretion to include the program goals within individual contracts. For each applicable contract, prime contractors must achieve the minimum DVBE participation goals or demonstrate that they made a "good faith effort" to achieve participation. The law's intent is to obtain DVBE prime or subcontractor level participation.

Should a bid be submitted with less than minimum participation, a prime contractor must make and document that they made a "good faith effort" to obtain participation.

The five legally defined "good faith effort" steps are:

- Contact was made with the awarding department to identify DVBEs.
- Contact was made with other state and federal agencies, and with local DVBE organizations to identify DVBEs.
- Advertising was published in trade papers and papers focusing on DVBEs, unless time limits imposed by the awarding department did not permit that advertising.
- Invitations to bid were submitted to potential DVBE contractors.
- Available DVBEs were considered.

DVBE Utilization Plans are an alternative for meeting DVBE Participation Program requirements. The plans apply when awarding contracts for materials, supplies, or equipment, including electronic data processing and telecommunications goods and services. The DVBE Utilization Plan Program is administrated by the Department of General Services, Office of Small Business Certification and Resources.

Minority, Women, and Disabled Veteran Business Enterprise Participation Program, continued

Authority

Public Contract Code, Part 2, Division 2, Chapter 1, Article 1.5, Section 10115 et seq., California Military and Veterans Code, Article 6, Section 999 et seq. and California Code of Regulations, Title 2, Division 2, Chapter 3, Subchapter 10.5, 1896.60 - 1986.67, 1896.90 - 1896.98

Internet Access

Minority and Women Business Enterprise Participation Program http://www.osmb.dgs.ca.gov/mwdvbepp.htm

Disabled Veteran Business Enterprise-http://www.osmb.dgs.ca.gov/dvbepp

Target Area Contract Preference Act (TACPA)

Purpose

The Target Area Contract Preference Act (TACPA) stimulates state contracting opportunities in designated distressed areas to promote economic development and employment opportunities in these areas.

Description

The Office of Small Business Certification and Resources (OSBCR) is the administering agency for the TACPA program. The state procurement system implemented the TACPA provisions in 1982. The TACPA provides a five percent bid preference on service and commodity contracts valued at more than \$100,000, if the business worksite is located in a distressed area as designated by the Office of Planning and Research. The TACPA bid preferences are excluded from construction and other contracts where the state designates the worksite.

The TACPA allows the five percent worksite bid preference to California based companies when 50 percent of the labor for commodities contracts and all of the labor for services contracts are performed at the approved worksite(s). The TACPA worksites may be in, or directly adjacent to and forming a contiguous boundary with the distressed area. California based companies that are awarded state contracts based on their claimed preferences must certify under penalty of perjury that no less than the required percent of labor to perform the contract shall be accomplished at the approved worksite(s).

Additionally, the TACPA includes a one to four percent workforce preference by certifying to hire a specified percent of employees from "eligible persons," i.e. those with a high risk of unemployment as designated by the Employment Development Department, during the contract.

Awarding state agencies are responsible for including in contract solicitation packages bid and contract language requiring compliance with the TACPA, and for monitoring contract compliance for awards based on a preference.

Authority

California Government Code, Title I, Division 5, Chapter 10.5 Section 4530 et seq. and the California Code of Regulations Title 2, Division 5, Chapter 3, Subchapter 9, Article 1 Section 1896.30 – 1896.41.

Internet Access

http://www.osmb.dgs.ca.gov/tacpa

Enterprise Zone Act (EZA)

Purpose

The Enterprise Zone Act (EZA) stimulates state contracting opportunities in designated enterprise zones to promote economic development and employment opportunities in these zones.

Description

The Office of Small Business Certification and Resources (OSBCR) is the reviewing agency for the EZA program. The EZA provides bid preferences on service and commodity contracts valued atmore than \$100,000 if the business worksite is located in enterprise zones as designated by the State Trade and Commerce Agency. The EZA bid preferences are excluded from construction and other contracts where the state designates the worksite.

The EZA allows the five percent worksite bid preference to California based companies when 50 percent of the labor for commodities contracts and all of the labor for services contracts are performed at the approved worksite(s) in the enterprise zone. When a California based company is awarded the contract based on their claimed preferences, the company must certify under penalty of perjury that no less than the required percent of labor to perform the contract shall be accomplished at the approved worksite.

Additionally, the EZA includes a one to four percent workforce preference by certifying to hire a specified percent of the workforce from a targeted employment area, or from enterprise zone eligible employees.

Awarding State agencies are responsible for including in contract solicitation packages bid and contract language requiring compliance with EZA and for monitoring contract compliance for awards based on a preference.

Authority

California Government Code, Title I, Division 5, Chapter 12.9 Section 7080 & seq.

Internet Access

http://www.osmb.dgs.ca.gov/eza

California State Contracts Register

Purpose

The California State Contracts Register (CSCR) advertises state construction, service, and commodity opportunities.

Description

The Office of Small Business Certification and Resources (OSBCR) publishes the daily electronic CSCR which announces bid information on state construction, service, and commodity contracting opportunities. State law requires agencies to advertise their construction and service contracting opportunities of \$1,000 or more in the CSCR. Commodity contracting opportunities are advertised at a state agency's discretion.

Annually, state agencies advertise over 7,500 contracting opportunities listed within 20 contract categories. Each advertisement contains key contract information, the contact agency/person for assistance and the ability to obtain a full solicitation package. Those contracts exempted from advertising in the CSCR are also listed for public review.

Assembly Bill 341 (Chapter 374, Statutes of 1991) initiated progress payment publication in the CSCR. The construction progress payment publication facilitates payment information to impacted subcontractors.

The CSCR is available to the business community on the Internet. Additionally, public access is available through libraries and business development centers with Internet access, as well as alternative access publications.

In July 1995, the OSBCR published the daily Internet CSCR as well as a weekly paper copy. After a six month transition, the private sector assumed paper publication of state contracting opportunities. In January 1996, the CSCR became an Internet-only publication. This allowed the CSCR to reduce production cost by 50 percent, eliminate a subscription fee, and transition from a bimonthly to a weekly and ultimately a daily publication. Additionally, the Internet CSCR offers state agencies the ability to submit advertisements electronically and reduce the state contracting cycle by approximately three weeks. In January 1997, the CSCR began offering electronic solicitation packages for viewing and downloading. This project addresses numerous business plan objectives including improved client satisfaction and reduced cost to the taxpayer. The Internet CSCR establishes a corner stone for future electronic commerce projects.

Authority

California Government Code, Title 2, Division 3, Part 5.5, Chapter 6, Section 14825.

Internet Access

The CSCR table of contents - http://www.osmb.dgs.ca.gov/cscr

Other Publications

Purpose

The Office of Small Business Certification and Resources (OSBCR) offers a variety of publications and informational documents to assist state agency and business community access to state contracting information.

Description

Annually, the OSBCR receives over 20,000 telephone or written information requests. The OSBCR publishes the following documents on the Internet for immediate access. The California State Contracting Resource Packet and the Disabled Veteran Business Enterprise (DVBE) Certified Firm List are currently available in paper form as well.

State Contracting Officials Directory - The State Contracting Officials Directory lists contracting officials for approximately 170 state agencies. The directory assists access to state contracting information and marketing of firms with state agency staff.

California State Contracting Resource Packet - The California State Contracting Resource Packet provides a listing of government agencies, organizations, and advertising sources to facilitate business community outreach to obtain state contracting and DVBE participation.

Disabled Veteran Business Enterprise (DVBE) Certified Firm List - The OSBCR publishes a certified listing. State agencies and prime contractors utilize the listing for outreach and certification verification.

Small Business Certified Firm List - The OSBCR publishes a certified listing. State agencies and prime contractors utilize the listing for outreach and certification verification.

http:www.dgs.ca.gov/osbcr

Authority

California Government Code, Title 2, Division 3, Part 5.5, Chapter 6.5, Section 14839.

OSBCR Telephone Information System (OTIS)

Purpose

The Office of Small Business Certification and Resources (OSBCR) provides business information services to further participation in state contracting. The OSBCR Telephone Information System (OTIS) provides interactive information to our most popular services.

Description

OTIS provides the client with selection choices on program overview narratives, OSBCR Internet Access, mailing requests, and OSBCR certification processes. OTIS received over 48,000 calls on:

- Small Business Certification
- Disabled Veteran Business Enterprise (DVBE) Certification
- Disabled Veteran Business Enterprise (DVBE) Participation Goal Programs
- California State Contracts Register (CSCR)
- Monterey Mechanical v. Wilson decision and its effect on Minority and Women Business Enterprise Participation Program

OTIS allows the clients to record their names and addresses to receive program information. Annually, OTIS receives over 14,000 mailing requests including:

- Small business certification applications
- DVBE certification applications
- California State Contracting Resource Packet
- Certified DVBEs list
- OSBCR Internet Access

Authority

Administratively implemented by the OSBCR

Chapter III

STATISTICS

Department	Total Contracting Dollars	Small Business Dollars	Small Business Percentage
ADMINISTRATIVE LAW, OFFICE OF	\$30,406	\$5,200	17.1%
AIR RESOURCES BOARD, CALIF	\$10,972,170	\$1,401,980	12.8%
ALCOHOL & DRUG PROGRAMS	\$262,024	\$66,097	25.2%
ALCOHOL BEVERAGE CONTROL, DEPT OF	\$415,421	\$18,654	4.5%
ARTS COUNCIL, CALIFORNIA	\$92,309	\$25,552	27.7%
BUILDING STANDARDS COMM, CA	\$35,590	\$0	0.0%
BUSINESS, TRANS & HOUSING AGENCY	\$483,644	\$9,671	2.0%
CHILD DEVELOPMENT POLICY ADVISORY COMM	\$12,904	\$759	5.9%
COASTAL COMMISSION, CALIFORNIA	\$243,272	\$61,601	25.3%
COASTAL CONSERVANCY, STATE	\$259,595	\$101,871	39.2%
COMMUNITY COLLEGES, CALIF	\$1,446,772	\$152,144	10.5%
COMMUNITY SERVICES & DEVELOPMENT, DEPT OF	\$1,121,468	\$67,550	6.0%
CONSERVATION CORPS, CALIFORNIA	\$15,887,514	\$664,737	4.2%
CONSERVATION, DEPARTMENT OF	\$8,353,187	\$374,086	4.5%
CONSUMER AFFAIRS, DEPARTMENT OF	\$51,565,392	\$2,887,464	5.6%
CONTROL, STATE BOARD OF	\$1,296,098	\$120,141	9.3%
CONTROLLER, STATE	\$7,948,597	\$951,270	12.0%
CORRECTIONS, BOARD OF	\$1,038,281	\$38,241	3.7%
CORRECTIONS, DEPARTMENT OF	\$834,369,089	\$30,789,908	3.7%
CRIMINAL JUSTICE PLANNING, OFFICE OF	\$2,081,210	\$610,956	29.4%
CSU - SYSTEM	\$614,302,081	\$56,075,713	9.1%
DEVELOPMENTAL SERVICES, DEPARTMENT OF	\$40,835,444	\$11,918,890	29.2%
EDUCATION, DEPARTMENT OF	\$32,138,555	\$1,604,491	5.0%
EMERGENCY MEDICAL SERVICES AUTHORITY	\$104,234	\$17,847	17.1%
EMERGENCY SERVICES, OFFICE OF	\$10,546,199	\$158,885	1.5%
EMPLOYMENT DEVELOPMENT DEPARTMENT	\$89,267,245	\$3,424,964	3.8%

Department	Total Contracting Dollars	Small Business Dollars	Small Business Percentage
ENERGY COMMISSION, CALIFORNIA	\$6,340,343	\$79,368	1.3%
ENVIRONMENTAL HLTH HAZ ASSESS, OFF	\$284,874	\$25,907	9.1%
ENVIRONMENTAL PROTECTION AGENCY	\$166,447	\$13,400	8.1%
EQUALIZATION, BOARD OF	\$20,206,491	\$2,092,067	10.4%
EXPOSITION & STATE FAIR	\$8,709,742	\$321,072	3.7%
FAIR POLITICAL PRACTICES COMM	\$265,173	\$79,836	30.1%
FINANCE, DEPARTMENT OF	\$753,833	\$94,312	12.5%
FINANCIAL INSTITUTIONS	\$84,520	\$27,527	32.6%
FOOD & AGRICULTURE, DEPARTMENT OF	\$11,697,433	\$1,243,453	10.6%
FORESTRY & FIRE PROTECTION, DEPT OF	\$25,940,043	\$1,500,964	5.8%
FRANCHISE TAX BOARD	\$50,629,336	\$2,453,429	4.8%
GENERAL SERVICES*, DEPARTMENT OF	\$718,827,118	\$140,369,963	19.5%
HEALTH & HUMAN SERVICES AGENCY DATA CENTER	\$234,198,953	\$23,843,356	10.2%
HEALTH PLANNING & DEVELOPMENT, STATEWIDE	\$1,553,860	\$104,808	6.7%
HEALTH SERVICES, DEPARTMENT OF	\$76,447,332	\$363,705	0.5%
HIGHWAY PATROL, CALIFORNIA	\$27,669,481	\$2,534,353	9.2%
HORSE RACING BOARD, CALIFORNIA	\$3,266,101	\$49,943	1.5%
HOUSING & COMMUNITY DEVELOPMENT, DEPT OF	\$4,572,679	\$484,188	10.6%
INSURANCE, DEPARTMENT OF	\$11,710,481	\$1,638,835	14.0%
INTEGRATED WASTE MANAGEMENT BOARD, CA	\$11,456,553	\$561,385	4.9%
JUSTICE, DEPARTMENT OF	\$44,230,029	\$2,945,961	6.7%
LANDS COMMISSION, STATE	\$1,349,720	\$205,702	15.2%
LAW REVISION COMMISSION, CALIFORNIA	\$55,563	\$795	1.4%
LIBRARY, CALIFORNIA STATE	\$1,165,757	\$110,821	9.5%
LOTTERY COMMISSION, CALIFORNIA STATE	\$39,871,097	\$5,044,948	12.7%
MANAGED RISK MEDICAL INSURANCE BOARD	\$199,715	\$10,867	5.4%

^{*}Breakdown by office for the Department of General Services is at the end of this report.

Department	Total Contracting Dollars	Small Business Dollars	Small Business Percentage
MEDICAL ASSISTANCE COMMISSION, CA	\$84,314	\$11,614	13.8%
MENTAL HEALTH, DEPARTMENT OF	\$55,950,554	\$6,507,494	11.6%
MILITARY DEPARTMENT	\$4,988,844	\$1,366,867	27.4%
PARKS & RECREATION, DEPARTMENT OF	\$32,672,668	\$3,338,730	10.2%
PEACE OFFICER STANDARDS & TRAINING	\$9,342,424	\$147,485	1.6%
PERSONNEL BOARD, STATE	\$1,147,998	\$490,590	42.7%
PESTICIDE REGULATION, DEPARTMENT OF	\$2,621,163	\$299,501	11.4%
POSTSECONDARY EDUCATION COMMISSION, CA	\$48,761	\$1,832	3.8%
PRISON INDUSTRY AUTHORITY	\$45,529,795	\$9,150,616	20.1%
PRISON TERMS, BOARD OF	\$740,202	\$188,285	25.4%
PUBLIC DEFENDER, STATE	\$1,982,889	\$78,016	3.9%
PUBLIC EMPLOYEES' RETIREMENT SYSTEM	\$200,615,899	\$3,692,029	1.8%
PUBLIC UTILITIES COMMISSION, CALIF	\$15,613,836	\$379,568	2.4%
REAL ESTATE, DEPARTMENT OF	\$2,784,219	\$58,194	2.1%
REHABILITATION, DEPARTMENT OF	\$6,606,769	\$2,432,221	36.8%
SCIENCE CENTER, CALIFORNIA	\$1,612,778	\$86,408	5.4%
SOCIAL SERVICES, DEPARTMENT OF	\$27,626,802	\$1,797,508	6.5%
STUDENT AID COMMISSION, CALIF	\$2,970,776	\$150,188	5.1%
SUMMER SCHOOL FOR THE ARTS	\$821,233	\$0	0.0%
TAHOE CONSERVANCY, CALIF	\$257,450	\$17,895	7.0%
TEACHERS' RETIREMENT SYSTEM, STATE	\$7,132,263	\$901,538	12.6%
TEALE DATA CENTER, STEPHEN P	\$45,244,781	\$372,952	0.8%
TOXIC SUBSTANCES CONTROL, DEPT OF	\$23,449,437	\$2,231,320	9.5%
TRADE & COMMERCE AGENCY, CALIFORNIA	\$8,806,480	\$2,967,438	33.7%
TRANSPORTATION, DEPARTMENT OF	\$1,049,589,657	\$49,552,198	4.7%
TREASURER, STATE	\$2,684,471	\$80,669	3.0%

Department	Total Contracting Dollars	Small Business Dollars	Small Business Percentage
UNEMPLOYMENT INSURANCE APPEALS BOARD	\$1,501,909	\$261,299	17.4%
VETERANS AFFAIRS, DEPARTMENT OF	\$12,013,352	\$995,515	8.3%
WATER RESOURCES CONTROL BOARD, STATE	\$2,629,451	\$443,682	16.9%
WATER RESOURCES, DEPARTMENT OF	\$71,680,634	\$10,113,714	14.1%
WILDLIFE CONSERVATION BOARD	\$15,043,553	\$0	0.0%
YOUTH AUTHORITY, CALIFORNIA	\$22,127,741	\$1,520,310	6.9%

\$4,702,684,478 \$397,385,313 8.5%

Department	Total Contracting Dollars	Small Business Dollars	Small Business Percentage
DGS - ADMINISTRATIVE HEARINGS	\$3,294,315	\$155,603	4.7%
DGS - ARCHITECT, DIVISION OF THE STATE	\$1,508,092	\$23,492	1.6%
DGS - EXECUTIVE OFFICE	\$1,672,436	\$2,715	0.2%
DGS - FISCAL SERVICES	\$452,760	\$15,130	3.3%
DGS - FLEET ADMINISTRATION	\$12,707,481	\$207,293	1.6%
DGS - HUMAN RESOURCES	\$172,243	\$12,423	7.2%
DGS - INFORMATION SERVICES	\$3,021,319	\$1,021,777	33.8%
DGS - LEGAL SERVICES	\$108,175	\$300	0.3%
DGS - PUBLISHING, STATE	\$17,171,534	\$2,881,864	16.8%
DGS - PROCUREMENT DIVISION	\$496,565,157	\$120,279,862	24.2%
DGS - PUBLIC SCHOOL CONSTRUCTION	\$300,336	\$605	0.2%
DGS - REAL ESTATE SERVICES DIVISION	\$173,768,643	\$15,251,485	8.8%
DGS - RISK & INSURANCE MANAGEMENT	\$838,607	\$46,962	5.6%
DGS - SMALL & MINORITY BUSINESS	\$295,227	\$40,516	13.7%
DGS - TELECOMMUNICATIONS DIVISION	\$6,950,793	\$429,936	6.2%
	\$718,827,118	\$140,369,963	19.5%

Small Business Participation by Agency FY 97/98

	TOTALS	Total Small Business Contract	Small Business Contract%	_
BUSINESS TRANSPORTATION AND HOUSING	\$1,130,759,882	\$53,030,210	4.7%	
CALIFORNIA STATE UNIVERSITY	\$614,302,081	\$56,075,713	9.1%	
ENVIRONMENTAL PROTECTION	\$51,580,095	\$4,977,175	9.6%	
HEALTH AND HUMAN SERVICES	\$535,476,594	\$50,805,739	9.5%	
OTHER	\$296,852,178	\$29,944,315	10.1%	
RESOURCES	\$176,678,259	\$16,252,966	9.2%	
STATE AND CONSUMER SERVICES	\$1,029,953,596	\$150,795,013	14.6%	
TRADE AND COMMERCE	\$8,806,480	\$2,967,438	33.7%	
YOUTH AND ADULT CORRECTIONAL	\$858,275,313	\$32,536,744	3.8%	
Totals	\$4,702,684,478	\$397,385,313	8.5%	